NORTH CENTRAL REGIONAL TRANSIT DISTRICT (NCRTD)
FINANCE SUBCOMMITTEE

December 19, 2014
9:00 a.m. - 11:00 a.m.

Executive Conference Room
1327 N. Riverside Drive
Espanola, NM 87532

AGENDA

CALL TO ORDER: Tim Vigil, Chair

Roll Call:

ITEMS FOR DISCUSSION/RECOMMENDATION

A. **Discussion and Review of Quarterly Investment Report**
Sponsor: Anthony Mortillaro, NCRTD Executive Director and Pat Lopez, (Acting) Finance Director.

B. **Minutes from November 21, 2014**
Draft Minutes.

MATTERS FROM THE SUBCOMMITTEE

ADJOURN

If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language Interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing of the meeting, please contact the NCRTD Executive Assistant at 505-629-4702 at least one week prior to the meeting, or as soon as possible. Public documents, including the agenda and minutes, can be provided in various accessible formats.

Memorandum

To: Finance Committee
From: Pat Lopez, Acting Finance Director
Thru: Anthony J. Mortillaro, Executive Director
Date: December 11, 2014
Re: **Investment of District Funds and the State of New Mexico Local Government Investment Pool Report Summary.**

Background:

Early in 2014 the NCRTD began participating in the LGIP government investment fund, known as the New MexiGROW Local Government Investment Pool or LGIP, and other Certificate of Deposits from local and surrounding banks in New Mexico. The NCRTD established the short-term investments (no more than 12 months) throughout various FDIC insured institutions in the state of New Mexico. The initial amount invested was $5,975,492.

Summary:

- As of September 30, 2014, the total investment inclusive of interest revenue was $5,984,657.
- Total earnings from interest totals $9,168 since the inception of the investment program.
- The average rate of return is .356%.
- The highest earned income is .70% with US New Mexico FCU (6 month term) earning the district a total of $997.87 in interest.
- The current quarter from July through September of 2014 earned a total of $4,308 in interest.
- NCRTD renewed 4 of its Certificate of Deposits with Los Alamos National Bank and extended the agreements to 12 months. The initial agreements ranged from 3 to 6 months.

	Amount Invested YTD	Earnings	% of portfolio
LGIP	1,902,460.18	1,167.18	32%
3-5 month CD	250,342.67	342.67	4%
6-8 month CD	1,002,412.83	2,412.83	17%
9-11 month CD	751,395.12	1,395.12	13%
12 month CD	2,078,049.19	3,850.19	35%
Total	**$ 5,984,659.99**	**9,167.99**	

The District investment strategy is passive. Given this strategy, NCRTD has determined the market yields are being achieved by comparing the average District portfolio yield to the 90 day U.S. Treasury Bill. As of September 30, 2014 the 3-month treasury rates were .04%, the District is averaging a rate of return at .356%

Recommendation:

It is recommended that the Finance Committee discuss and review the information presented in relation to the LGIP and the Certificate of Deposit Investment report, and recommend the Board of Directors review the information presented.

Attachment:

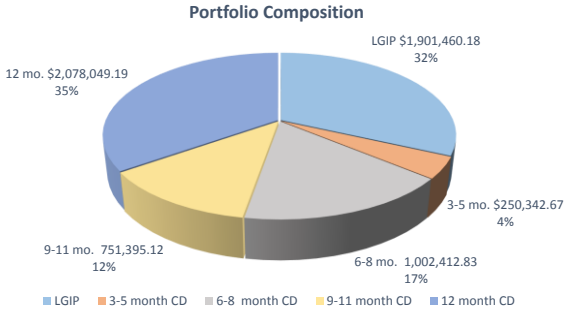
- NCRTD Investment Report as of September 30, 2014

North Central Regional Transit District
Certificate of Deposit Report
9-Dec-14

Current CD investments

	Date opened	Term/ mos	Expiration Date	Rate	Amount invested	Earning 9.30.14	YTD Total Earnings	Investment Balance 9.30.14	
12 months									
Los Alamos National Bank	3/6/2014	12	3/6/2015	0.40%	574,199.00	384.50	1,165.30	575,364.30	
Los Alamos National Bank	3/6/2014	12	6/4/2015	0.40%	250,000.00	285.09	378.28	250,378.28	(1)
Los Alamos National Bank	3/6/2014	12	7/4/2014	0.40%	250,000.00	252.00	194.46	250,194.46	(1)
Los Alamos National Bank	3/6/2014	12	8/3/2015	0.40%	250,000.00	211.87	139.95	250,139.95	(1)
Los Alamos National Bank	3/6/2014	12	9/2/2015	0.25%	250,000.00	639.11	579.96	250,579.96	(1)
State Employees Credit Union	2/28/2014	12	2/28/2015	0.55%	250,000.00	347.22	810.74	250,810.74	
Washington Federal Bank	2/27/2014	12	2/27/2015	0.40%	250,000.00	252.52	581.50	250,581.50	
	12 Month/Total		***Average rate***	**0.43%**	**2,074,199.00**	**$ 2,372.31**	**$ 3,850.19**	**$ 2,078,049.19**	
9-11 months									
Los Alamos National Bank	3/6/2014	9	12/1/2015	0.35%	250,000.00	146.45	443.88	250,443.88	
Los Alamos National Bank	3/6/2014	10	12/31/2014	0.35%	250,000.00	146.45	443.88	250,443.88	
Los Alamos National Bank	3/6/2014	11	1/30/2015	0.40%	250,000.00	167.41	507.36	250,507.36	
	9-11 Month/Total		***Average rate***	**0.37%**	**750,000.00**	**460.31**	**1,395.12**	**751,395.12**	
6-8 months									
Guadalupe CU	2/28/2014	6	2/23/2015	0.35%	250,000.00	274.81	654.12	250,654.12	
US New Mexico FCU	2/21/2014	6	2/16/2015	0.70%	250,000.00	373.81	997.87	250,997.87	
Los Alamos National Bank	3/6/2014	7	10/2/2014	0.30%	250,000.00	125.50	380.42	250,380.42	
Los Alamos National Bank	3/6/2014	8	11/1/2014	0.30%	250,000.00	125.50	380.42	250,380.42	
	6-8 Month/Total		***Average rate***	**0.38%**	**1,000,000.00**	**899.62**	**2,412.83**	**1,002,412.83**	
3-5 months									
Sunrise Bank/Grants State Bank	2/21/2014	3	2/21/2015	0.15%	250,000.00	94.63	342.67	250,342.67	
	3-5 Month/Total		***Average rate***	**0.15%**	**250,000.00**	**94.63**	**342.67**	**250,342.67**	
			Short term Investment		**4,074,199.00**	**3,826.87**	**8,000.81**	**4,082,199.81**	
			LGIP	0.100433	1,901,293.00	481.5	1,167.18	1,902,460.18	
					$ 5,975,492.00	**4,308.37**	**9,167.99**	**5,984,659.99**	

(1) Converted from 3-6 months CDs to 12 month CDs.



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Total	**$ 5,984,659.99**	**9,167.99**	

Average Rate of Return	0.356%
Current Quarterly Earnings July-Sept. 2014	4,308.37
Fiscal YTD Earnings	8,000.81
Fiscal YTD Earnings + Investment	**$ 5,984,659.99**

Finance Subcommittee

Meeting November 21, 2014

9:00 a.m.

Board Members Present: *Commissioner Miguel Chavez – Santa Fe County (Telephonically), Tim Vigil – Pueblo of Pojoaque (In Person), Councilor Pete Sheehey – Los Alamos County (In Person), Leandro Cordova - Taos County (Telephonically)*

Staff Present: *Anthony Mortillaro – Executive Director, Glenda Aragon – Finance Manager, Dalene Lucero – Executive Assistant*

Guest(s) Present*: Farley Vener – Hinkle and Landers*

Absent: *Commissioner Barney Trujillo - Rio Arriba County*

Transcribed By: Dalene E. Lucero – Executive Assistant

ROLL CALL

APPROVAL OF AGENDA

CALL TO ORDER

A regular Finance Subcommittee meeting was called to order on the above date by Chairman Tim Vigil at 9:06 a.m.

ITEMS FOR DISCUSSION/RECOMMENDATION

A. Audit Exit Conference – Hinkle and Landers

Mr. Vener went through the Audit Summary as presented.

Mr. Vener asked if the Subcommittee members had any questions.

There were none.

Mr. Vener stated that he was always available for questions. He then thanked NCRTD Finance staff and management for their support.

Further discussion went on regarding this matter.

Mr. Mortillaro and members of the Finance Subcommittee commended Ms. Aragon and the Finance staff for their hard work on the audit.

[This item was for discussion only. Due to the audit not being released by the Office of the State Auditor, this information was not recorded in detail.]

B. Minutes from August 22, 2014

Mr. Vigil asked the Finance Subcommittee to review and approve the minutes from August 22, 2014. The Subcommittee did as directed.

Councilor Sheehey made a motion to approve the minutes from August 22, 2014. Commissioner Chavez seconded the motion and it passed by unanimous voice vote (3-0).

MATTERS FROM THE SUBCOMMITTEE

Mr. Mortillaro stated that the Finance Subcommittee meeting for December had been moved to December 19, 2014. He noted that the only item on the agenda was approval of the minutes and the quarterly investment report.

ADJOURN

Councilor Sheehey made a motion to adjourn the meeting. Mr. Cordova seconded the motion and it passed by unanimous voice vote (3-0).

The Finance Subcommittee meeting was adjourned at 9:45 a.m.

The next Finance Subcommittee meeting will be held on December 19, 2014 at 9:00 a.m.